

CITY OF SAN CLEMENTE

City Council Minutes

Special and Regular Meetings - June 5, 2007

A Special Meeting of the San Clemente City Council was called to order on June 5, 2007 at 5:00 p.m. in the Council Chambers, located at 100 Avenida Presidio, San Clemente, California.

PRESENT ANDERSON, DONCHAK, EGGLESTON, KNOBLOCK,
MAYOR DAHL

ABSENT NONE

STAFF PRESENT George Scarborough, City Manager; Jeff Oderman, City
Attorney; Myrna Erway, City Clerk; Joanne Baade, Deputy
City Clerk

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CLOSED SESSION

MOTION BY COUNCILMEMBER KNOBLOCK, SECOND BY COUNCILMEMBER EGGLESTON, CARRIED 5-0, to recess to Closed Session at 5:00 p.m. to discuss the following:

A. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Initiation of litigation, pursuant to Government Code Section 54956.9(c): One Potential Case

B. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION, pursuant to Government Code Section 54956.9(a):

Name of Case: San Clemente Citizens for Integrity in Development v. City of San Clemente, OC Case No. 07CC01287

Closed Session listing is continued on next page

- C. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION, pursuant to Government Code Section 54956.9(a):

Name of Case: Preserve Shorecliffs Homeowners v. City of San Clemente, et al., OCSC Case No. 06CC09940.

The agendaized Closed Session relating to labor negotiations was not discussed.

City Manager Scarborough, City Attorney Oderman, Assistant City Manager Gudgeirsson and City Clerk Erway were in attendance during the entire Closed Session. City Planner Buell and Code Compliance Manager Montoya were present during Closed Session Item A only.

MEETING RECONVENED

Council reconvened at 7:03 p.m., with all members present.

INVOCATION

Valerie Jordan, Orange County Sheriffs Department, gave the invocation.

PLEDGE OF ALLEGIANCE

Mayor Pro Tem Anderson led the Pledge of Allegiance.

1. SPECIAL PRESENTATIONS

A. Journey Safe Awareness Month

Mayor Dahl presented a proclamation to Dr. and Mrs. Sabet declaring May 26, 2007 through June 26, 2007 as "Journey Safe Awareness Month".

B. **Certificate of Recognition - Taylor Battey**

This presentation was deferred to the Council meeting of June 19, 2007.

C. **Human Affairs Committee Annual Report for FY 2006-07**

Human Affairs Committee Chairperson Judy Ferguson presented the Human Affairs Committee's annual report for FY 2006-07.

D. **Human Relations Leadership Award - Samantha Chambers and Tyler Hadzinsky, Recipients**

Mayor Dahl presented commendations to Samantha Chambers and Tyler Hadzinsky, San Clemente High School students, in recognition of being awarded the 2007 Human Relations Leadership Award by the Human Affairs Committee.

E. **Proclamation Presentation - Drowning Prevention Summer**

Mayor Dahl presented a proclamation to Fire Services Chief Dave Pierce declaring May 28, 2007 (Memorial Day) through September 3, 2007 (Labor Day) as Drowning Prevention Summer.

2. MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER KNOBLOCK, CARRIED 5-0, to waive reading in full of all Resolutions and Ordinances.

3. **CONSIDERATION OF AGENDIZING ITEMS REQUIRING IMMEDIATE ACTION**

None.

4. **ORAL COMMUNICATIONS (PART ONE)**

Support for Responsible Development to Fund City Needs

Rick Collins, San Clemente, opined that San Clemente is behind on infrastructure, budget, safety services, sports, recreational facilities and general City upkeep; noted that responsible development provides positive economic benefits that could help the City meet its shortcomings; related support for the Pacific Golf Club development project; expressed opposition to the utilization of tax dollars to stifle growth.

Funding of La Pata/Vista Hermosa Park

Ian Dyer, San Clemente, urged that Council fund the La Pata/Vista Hermosa Park via revenue from the Pacific Golf development project, a bond issue, or park sponsorships; expressed hope that the park can be developed within the next couple years.

5. **CONSENT CALENDAR**

MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER KNOBLOCK, CARRIED 5-0, to approve the Consent Calendar with the removal of Item 5-I.

A. **City Council Minutes**

MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER KNOBLOCK, CARRIED 5-0, to approve the City Council minutes of May 1, 2007.

B. MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER KNOBLOCK, CARRIED 5-0, to receive and file:

- (1) Planning Commission Regular Meeting minutes of May 16, 2007.
- (2) Planning Commission Study Session minutes of May 16, 2007.

- (3) Zoning Administrator meeting minutes of May 16, 2007.
- (4) Coastal Advisory Committee minutes of April 12, 2007.
- (5) Human Affairs Committee minutes of April 11, 2007.
- (6) Golf Course Committee minutes of March 1, 2007 and April 5, 2007.
- (7) Parks and Recreation Commission minutes of April 10, 2007.

C. **Warrant Register**

MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER KNOBLOCK, CARRIED 5-0, to approve Wire Transfers Nos. 458 and 459 and Warrant Nos. 784314 through 784455 for the period 4-30-07 through 5-4-07 in the amount of \$481,220.25; approve Warrant Nos. 784456 through 784686 for the period 5-7-07 through 5-11-07 in the amount of \$1,926,051.96; approve Handwrite No. 784857 and Wire Transfers Nos. 460 through 462 and Warrant Nos. 784687 through 784856 for the period 5-14-07 through 5-18-07 in the amount of \$1,545,622.06; for a total Warrant Register of \$3,952,894.27.

Payroll Register

MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER KNOBLOCK, CARRIED 5-0, to approve Warrant Nos. 319118 through 319175, Automatic Deposit Advises 146392 through 146629, for the period 4-23-07 through 5-6-07 in the amount of \$371,363.83; approve Warrant Nos. 319176 through 319236, Automatic Deposit Advises 146630 through 146870, for the period 5-7-07 through 5-20-07 in the amount of \$374,415.84; for a total Payroll Register of \$745,779.67.

D. **Contract Amendment - Casa Romantica Fence and Gates**

MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER KNOBLOCK, CARRIED 5-0, to approve, and authorize the Mayor to execute, Change Order No. 1 to Contract C07-11 by and between the City of San Clemente and Lightning Fence Company, relating to the Casa Romantica Security Fence and Gates project. This Change Order increases the contract cost from \$96,288 to \$134,188 (an increase of \$37,900).

E. **Contract Award - Senior Center/Library Painting Project**

MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER KNOBLOCK, CARRIED 5-0, to:

1. Approve, and authorize the Mayor to execute, Contract C07-24 by and between the City of San Clemente and Custom Coatings and Finishes, providing for the painting of the Senior Center and Library, in an amount not to exceed \$41,520.
2. Authorize a supplemental appropriation from the fund balance of the Facilities Maintenance Reserve in the amount of \$15,256. Accept revenue from the County of Orange in the amount of \$34,658.

F. **Avenida Pico Corridor Improvements/San Clemente High School Traffic Circulation Progress Report and Proposed Amendment No. 1 to Engineering, Inc. Professional Services Agreement**

MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER KNOBLOCK, CARRIED 5-0, to:

1. Approve, and authorize the Mayor to execute, Amendment No. 1 to Contract C06-59 by and between the City of San Clemente and APA Engineering, Inc., relating to the Avenida Pico Corridor Widening Project, Project No. 12906. This contract amendment increases the contract amount from \$229,235 to \$261,615 (an increase of \$32,380).
2. Direct Staff to work with San Clemente High School and the Capistrano Unified School District staff to develop a circulation plan that will improve the traffic flow on Avenida Pico during the high school peak hours and minimize impact on the school operation.

G. **Release of Improvement Performance Bonds - Tract 16253 in the Talega Development, Talega Associates, LLC**

MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER KNOBLOCK, CARRIED 5-0, to adopt Resolution No. 07-29 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, AUTHORIZING THE RELEASE OF THE IMPROVEMENT PERFORMANCE BONDS FOR TRACT 16253 IN THE TALEGA DEVELOPMENT, TALEGA ASSOCIATES, LLC.

H. **Declaration of Intention to Conduct a Public Hearing Re Adoption of an Ordinance Relating to Lot Mergers**

MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER KNOBLOCK, CARRIED 5-0, to adopt Resolution No. 07-30 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, DECLARING ITS INTENTION TO CONDUCT A PUBLIC HEARING ON JULY 10, 2007 AT THE SAN CLEMENTE CITY COUNCIL CHAMBERS REGARDING THE ADOPTION OF AN ORDINANCE ADDING CHAPTER 16.44 OF THE SAN CLEMENTE MUNICIPAL CODE RELATING TO LOT MERGERS.

ITEMS REMOVED FROM THE CONSENT CALENDAR FOR DISCUSSION

I. **Contract Award - Street Improvement Projects (Avenida Del Presidente Phase I, Avenida Del Presidente Phase II, Avenida Lobeiro and Avenida Montalvo, W. Avenida Magdalena, and W. Avenida Ramona)**

MOTION BY COUNCILMEMBER KNOBLOCK, SECOND BY COUNCILMEMBER DONCHAK, CARRIED 4-0-1 (MAYOR DAHL ABSTAINING), to:

1. Approve the plans and specifications for the following street improvement projects: Avenida Del Presidente Phase I from W. Avenida Valencia to Avenida Calafia, Project No. 17319; Avenida Del Presidente Phase II from Avenida Calafia to City limit, Project No. 17320; Avenida Lobeiro and Avenida Montalvo, Project No. 17321; West Avenida Magdalena from S. Ola Vista to Avenida Del Presidente, Project No. 17323; West Avenida Ramona from S. Ola Vista to Avenida Del Presidente, Project No. 17324.
2. Approve, and authorize the Mayor to execute, Contract C07-25 by and between the City of San Clemente and R. J. Noble, in the amount of \$1,686,943.55 pertaining to the following street improvement projects: Avenida Del Presidente Phase I from W. Avenida Valencia to Avenida Calafia, Project No. 17319; Avenida Del Presidente Phase II from Avenida Calafia to City limit, Project No. 17320; Avenida Lobeiro and Avenida Montalvo, Project No. 17321; West Avenida

Magdalena from S. Ola Vista to Avenida Del Presidente, Project No. 17323; West Avenida Ramona from S. Ola Vista to Avenida Del Presidente, Project No. 17324.

3. Approve a supplemental appropriation of \$198,000 to Account 042-848-45300-000-17319, Improvements Other Than Buildings, in the Street Improvement Fund for the Avenida Del Presidente Phase I Street Improvement.
4. Approve a supplemental appropriation of \$112,000 to Account 042-848-45300-000-17321, Improvements Other Than Buildings, in the Street Improvement Fund for the Avenida Lobeiro and Montalvo Street Improvement.
5. Approve a supplemental appropriation of \$24,000 to Account 042-848-45300-000-17323, Improvements Other Than Buildings, in the Street Improvement Fund for the W. Avenida Magdalena Street Improvement.
6. Approve a supplemental appropriation of \$52,000 to Account 042-848-45300-000-17324, Improvements Other Than Buildings, in the Street Improvement Fund for the W. Avenida Ramona Street Improvement.

6. PUBLIC HEARINGS**A. Pacific Golf Club Residential Development (200 Avenida La Pata) - General Plan Amendment 05-018/Specific Plan Amendment 05-126/Site Plan Permit 05-127/Architectural Permit 05-240/Conditional Use Permit 05-128/Tentative Tract Map 16910**

Public Hearing to consider amending the City's General Plan (GPA 05-018) and the Rancho San Clemente Specific Plan (SPA 05-126) to change the land use designation on approximately 51 acres of a 248-acre, 27-hole golf course from Open Space Golf Course (OSC) to Residential Medium Low (RML) to allow for the development of 238 residential units and redevelopment of an 18-hole golf course on the remainder of the property. The development applications include Conditional Use Permit (CUP 05-128) and Architectural Permit (AP 05-240) applications, both required for any residential project of more than five dwelling units, as well as Site Plan Permit (SPP 05-127) and Tentative Tract Map (TTM 16910) applications, both required to allow the subject property to be subdivided into multiple lots that accommodate separate ownership of the proposed development. This application also includes a development agreement. The property is located within the Rancho San Clemente Specific Plan area at 200 Avenida La Pata, the legal description being Lots A, B, 1, and portion of Lot 14 of Tract 12125.

In response to Council inquiry, City Attorney Oderman explained that this agenda item is a new Public Hearing (as opposed to a Continued Public Hearing) because the project has been revised; pointed out that the prior Public Hearing remains a part of the record.

Principal Planner Wisneski narrated a PowerPoint presentation entitled "Pacific Golf Club Residential Development", dated June 5, 2007, which is on file with the City Clerk. Ms. Wisneski's presentation focused on revisions from the original project to the current proposal for 238 units (176 single-family units and 62 senior units), traffic impacts of the project, and public contributions contained within the development agreement to compensate for the redesignation of open space; explained that Staff is recommending project approval; responded to Council inquiries. A hard copy of Ms. Wisneski's presentation is on file with the City Clerk.

Principal Civil Engineer Hindiyeh explained that the City follows the Institute of Transportation Engineers' (ITE) Trip Generation Manual, which identifies senior trips to be approximately 4.81 trips per day per unit (versus 12 trips per day for a single-family residence).

City Clerk Erway announced that the City received 1,135 letters supporting the project, 281 letters opposing the project, and six letters from people requesting that the Pacific Golf Club issue be placed on the ballot.

Mayor Dahl opened the Public Hearing.

Mark McGuire, on behalf of the Applicant, presented hard copies of three emails from Bill Carson, Bob Adams and Carla Sisca that support the project; opined that the benefits of the project outweigh the negatives by a considerable margin; reviewed the history of the property, stressing that the original Specific Plan did not state that the property will be a golf course forever; commented that the project would lie below La Pata and is envisioned as a small golf course community complimenting a re-designed and refurbished Pacific Golf and Country Club; provided an overview of the proposal, noting that the project has been reduced from 317 units on 63 acres to 238 units on 51 acres; commented that the 62 golf villas would be age restricted, thereby reducing the number of trips by 40% from the original EIR traffic numbers; stated that the project will contribute \$21.5 million to the City and Capistrano Unified School District and will contribute to the City's on-going tax base; responded to Council inquiries.

Michael Rosenfeld, Applicant, thanked Council for the opportunity to respond to concerns raised by Council at its last meeting on this topic; stated that he will respond to questions at the conclusion of the Public Hearing.

Rex Tyner, San Clemente, stated that he is even more impressed with the revised plan than the original plan; noted that the project will contribute \$500,000 toward a new senior center.

Marilyn Ditty, Executive Director for South County Senior Services, spoke in support of the Pacific Golf Club project, noting that the \$500,000 contribution will make the new senior center possible.

Lily Wakeman, San Clemente, spoke on the need to provide fields and activities for area youth; stated that approval of the Pacific Golf Club project will provide the funds necessary to construct the La Pata/Vista Hermosa Park.

Cathy Lee, San Clemente resident and Director of the San Clemente Senior Center, stressed that the project, and its \$500,000 senior center contribution, is needed so that the new senior center can move forward.

Jim Miranda, San Clemente, urged that Council be developer friendly as well as quality minded; conveyed support for the Pacific Golf development, noting that the number of units has been reduced from 313 to 238; noted that 62 of the units are golf villas for persons 55 and older.

Flavio Ciferri, San Clemente, spoke on the importance of protecting the environment and preserving open space; voiced concern with the loss of open space; suggested that community improvements should be funded from taxes or other sources, but not from the redesignation of open space.

Richard Metcalf, San Clemente, opined that the reduction in units is not enough to mitigate traffic; suggested that the proposal represents an unethical and immoral proposal; urged Council to oppose the application.

David Franzetta, Laguna Niguel resident and 10-year member of the Pacific Golf Club, stated that progress requires a balancing of the old with the new; urged that Council find the balance that will best serve the interest of the residents of San Clemente.

Gene Grant, San Clemente, spoke in support of the Pacific Golf project, noting that the City will receive benefits; asserted that the project will not cause congestion.

Lillian Hummel, San Clemente resident and 19-year employee of the Pacific Golf Club, stated that the Club employs 80 people; commented that closure of the Club would be devastating to the Club's employees and their families.

Scott Hunt, San Clemente, stated that the City needs the La Pata/Vista Hermosa Park and the swimming pool; urged that Council support the project.

Anna Mae Noble, San Clemente, stated that she cares about the environment and the legacy that will be left for future generations; commented that development adds to global warming and traffic; urged that Council save the open space that was promised.

Leslie Harney, San Clemente, stated that the City will be gridlocked by 2030; commented that Mr. Rosenfeld purchased property that was zoned as open space; urged that Council put the issue to a vote of the people.

Captain Ross Aimer, San Clemente, spoke in opposition to the project due to its impact on traffic; recommended that Council preserve open space.

Jim Smith, San Clemente, urged that Council deny the developer's request to construct homes on open space; stated that a prior Council had the foresight to reserve land for open space; commented that the developer paid open space prices for the property and now wants to change the rules.

Jim Gregerson, San Clemente, stated that the proposal represents a win-win situation; commented that the City enjoys open space created by the ocean, Camp Pendleton and undeveloped land east of the city.

John Seymour, Laguna Niguel resident and member of the Pacific Golf Club, opined that the project represents an innovative solution to address the Club's financial problems while benefiting the community.

Duffy Brooks, San Clemente resident and member of the Pacific Golf Club, asserted that the question before Council is to determine the action that will most benefit the City of San Clemente; reviewed projects that will benefit from the proposal.

Susan White, San Clemente resident and member of the Pacific Golf Club, urged that Council oppose the plan to build 238 homes on land designated as open space; commented that the City currently experiences traffic, overcrowded schools and overdevelopment; stated that open space contributes to the City's allure.

David Abernathy, San Clemente, spoke in opposition to the Pacific Golf Club project inasmuch as he views it as an attempt to buy Council's vote; stated that the change in zoning will be lost forever.

Al White, San Clemente and member of the Pacific Golf Club, voiced concern with the stability of the proposed swap property on Avenida Columbo; suggested that the bankruptcy of the Club was self-inflicted, noting that he has never encountered an increase in his monthly dues.

Al Cullen, San Clemente, spoke in opposition to the project and urged Council to consider the long-term impact of the loss of open space.

Dick Dickey, San Clemente, stated that the City is not obligated to retain private open space if the community will benefit from a zoning amendment.

Seth Kenney, San Clemente, opined that the proposed Columbo land swap (which is within the view corridor of many residents) makes more sense than retaining the open space in question.

Ivor Young, Dana Point resident and member of the Pacific Golf Club, noted the benefits of the project in terms of treating runoff and facilitating clean ocean waters.

Doug Younkin, San Clemente, stated that only 3,900 of the 4,500 units approved for Talega will be built, thereby creating a deficit in park funding; noted that the proposed Pacific Golf Course project will provide less than 300 units and will contribute funding for needed community projects.

Sandy Kos, San Clemente, spoke on the need for additional City swimming pools.

Kathy Makinson-Saunders spoke in support of keeping the Pacific Golf Club open, noting that it enhances quality of life, generates revenue, and provides jobs.

Sally Jeisy, San Clemente, urged Council to approve the Pacific Golf project; spoke on the need for additional City parks.

Tom Frost, Los Alamitos, stated that his company has been involved in overseeing the management of the Pacific Golf Club since its acquisition in 2003; asserted that the Pacific Golf Club is a broken business model that will cease to exist without significant financial reinvestment; stated that San Clemente is a better place because of the Pacific Golf Club and urged Council to keep the asset in the City.

Dennis Stancik stated that the project will contribute \$11,950,000 in revenue to the City, which represents 28% of the City's General Fund budget.

Chris Payne, San Clemente, stated that the Pacific Golf Club serves a worthwhile community function; asserted that the proposed project will make the Club commercially viable and that the tasteful housing will improve the property; stated that the biggest winner of the project will be junior sports.

Susan Ritschel, San Clemente, recommended that Council make its decision based on the best interests of the community at large; identified projects that will benefit from the development; commented that the project benefits outweigh the negatives; remarked that all environmental impacts will be mitigated.

Doug Erb, San Clemente, suggested that the Pacific Golf Club property would become an eyesore if the Club closes; urged Council to do the right thing for area youth and the future of San Clemente.

Don Jeisy, San Clemente, conveyed support for the project, explaining that it will contribute needed funding for the sports park, Casa Romantica and new senior center; opined that the City has sufficient open space.

Leslie Hart, San Clemente resident and member of the Pacific Golf Club, asserted that the project is a win-win proposal; suggested that the loss of open space is minimal in comparison to the benefits that the project will provide to the City as a whole.

Lenn Kimura, member of the Pacific Golf Club, stated that the project will facilitate open space in the form of parks and sports fields; urged Council to review the project on its merits.

Dennis Papillion, San Clemente, stated that the prior project was great, but believes that the current project is even better; explained that the project will help fund an aquatics facility, which is one of the City's greatest needs; urged Council approval.

Jerry Magstadt, Capistrano Beach, stated that the Pacific Golf Club has been his social and recreational home for the past 10 years; disagreed that the senior housing trips will be as high as the figures indicate since it is likely that they will leave the area only for trips to the grocery store.

Mike Cotter, San Clemente, stated that the \$11 million revenue that the project would provide is tempting, but stated that the money will not offset what the City will lose; voiced concern that the City will sacrifice its integrity if it breaks its commitment of open space to its residents; urged Council to oppose the project.

Mike Fluchere, San Clemente, stated that people come to San Clemente to enjoy its open space; suggested that it is not up to the City to bail out a failed private business by giving away open space, views and vistas; urged that Council oppose the project.

Ken James, San Clemente, stated that the Pacific Golf Club will fail if it remains as presently designed; stated that the question before Council is whether the City wants a private golf course as a component of its quality of life.

Paul Carlton, San Clemente, urged Council to reject the application; voiced concern with the impact of development on the City's water supply, traffic, beaches, and City services; urged Council to adhere to Ole Hanson's vision to make San Clemente a Spanish Village by the Sea; voiced opposition to the practice of selling open space to meet financial needs.

Gregg Lipanovich, San Clemente, conveyed his opposition to the project and associated loss of open space.

Gary Hopp, San Clemente resident and member of the Pacific Golf Course, asserted that the EIR contains inaccuracies and cannot be approved; stated that the project will have significant land use, biological, water supply, population, housing, air quality and other impacts that have not yet been adequately analyzed; suggested that the proposed land swap is unacceptable because the 26-acre parcel is zoned for only one home, is geologically challenged, and is not of equal or greater value; spoke in opposition to the loss of open space.

Jason Murray, San Clemente, urged that Council retain its village atmosphere and preserve its resources; urged that Council not give up its open space to benefit private enterprise.

Pete van Nuys, San Clemente, stated that open space means no added traffic, no competition for resources, and no additional demand for City services; voiced concern that development will ruin the value that the open space has as a viewshed; urged that Council oppose the project.

Dave Peter, San Clemente, asserted that the City needs athletic facilities; conveyed his support for the land swap, noting that the Columbo land has wildlife and is located next to an open space area; conveyed support for the project, noting that it creates a viable opportunity to salvage the golf course and derive benefits.

John Tully addressed the need for City sports facilities and explained that he views the project as a win-win opportunity.

Dave Kelsen, San Clemente, conveyed his support for the project, noting that it will benefit the community; pointed out that the City does not own the open space in question.

Mike Burke, San Clemente, stated that the planning process never ends; stated that the Pacific Golf Club is an important community asset; commented that the subject open space is not critical as a viewshed, but that the \$11 million benefit that the project will bring to the City is critical.

Don Bourguignon, member of the Pacific Golf Club, stated that open space is valuable, but its value is diminished when it is not used and is tucked away in a non-visible area; voiced concern that the Pacific Golf Club will be lost if it cannot be reconfigured.

Rick Anderson, San Clemente, conveyed support for the project inasmuch as he views it as the right thing to do.

Gene Habich, San Clemente, spoke in support of the retention of open space; suggested the possibility of converting the Pacific Golf Course to a public course; recommended that Council place the issue on the ballot to determine citizen consensus with regard to open space.

Brad Bierbaum, San Clemente, recommended that Council take the action that is best for the majority of San Clemente's citizens; noted that the plan provides for public access and community contributions.

John Patterson, San Clemente resident and member of the Pacific Golf Club, noted that the project will provide a viable golf course and real estate project, while contributing significant dollars for much-needed items in the City.

Lyn Harris Hicks, San Clemente, urged Council to preserve the City's open space; recommended that the City utilize traffic standards that are higher than national averages.

Jeri Mann, San Clemente resident and member of the Pacific Golf Club, spoke in opposition to the project; voiced concern that converting open space to development will exacerbate traffic problems; opined that the proposed land swap does not meet General Plan requirements because the designated open space is not proposed to be replaced with land of equal or greater value; requested that Council oppose the amended proposal.

Charles Mann, San Clemente resident and member of the Pacific Golf Club, stated that the amended development plan is more egregious than the first plan; noted that the property proposed for the land swap is zoned for only one unit and has geologic issues; suggested that the renaming of the golf villas to senior villas is intended to camouflage traffic impacts; noted that the revised plan proposes lesser contributions to the City than the original plan; urged that open space and natural resources be defended.

Richard Boyer, San Clemente, suggested that the City is being asked to authorize the bail-out of a private business in return for a kick-back; voiced concern that approval of the proposal will set a precedent.

Shahim Vosough, General Manager of the Pacific Golf Club, stated that the Club has never reached its targeted membership levels and that it loses money every month; opined that the proposed improvements will help the Club compete in the golf-membership market and provide a venue for social and community events; urged that Council approve the project.

Bob Wallin, San Clemente, asserted that developers need to pay their fair share of improvements and opined that the contributions proposed do not equal the proposed development; urged that Council consider assessment districts for improvements such as the coastal trail.

Cindy Holmes, San Clemente resident and Pacific Golf Club member, asserted that the project represents a win-win opportunity, noting that seniors and community youth will benefit.

Trevor Dale, San Juan Capistrano, stated that the San Juan Capistrano City Council voted four-to-one to rezone the San Juan Hills golf course, but the action was later rescinded by referendum; stated that open space can never be replaced and opined that the City will find other ways to fund its projects.

CONTINUATION OF MEETING PAST 11:00 P.M.

MOTION BY COUNCILMEMBER KNOBLOCK, SECOND BY MAYOR PRO TEM ANDERSON, CARRIED 5-0, to continue the meeting past 11:00 p.m.

MEETING RECESSED

Council recessed at 10:55 p.m. and reconvened at 11:05 p.m., with all members present.

Mark McGuire, on behalf of the Applicant, noted that the Applicant has done everything possible to be part of the solution and not contribute to the problem; asserted that the scale of the project is such that it does not exacerbate traffic conditions; urged that Council consider the function and value of the existing open space in making its decision.

Michael Rosenfeld, Applicant, stated that he purchased the property in bankruptcy with the goal of improving a situation that was problematic to the community; noted that Staff informed him before acquiring the property that a project similar to the one under consideration could only be entertained if there were overwhelming community benefits; stated that he is proud of the proposal and requested Council support.

In response to Council inquiry about the possibility of reducing the number of units within the project, Mr. McGuire indicated that 27 of the golf villas/senior units (located along the northern and eastern boundary of the project) could be replaced with 13 single-family dwellings, thereby reducing the overall unit count by 14 units (for a total of 224 residential dwellings).

There being no others desiring to speak to this issue, the Public Hearing was closed.

Mr. McGuire distributed an exhibit that reflects the proposed site plan for a 224-unit project. A copy of the exhibit is on file with the City Clerk.

City Attorney Oderman noted that a memorandum from The Planning Center, dated June 5, 2007, has been placed on the dais that includes clerical corrections to the Findings of Fact and Statement of Overriding Considerations; recommended that proposed Resolution No. 07-31 incorporate the subject modifications.

Following discussion, MOTION BY COUNCILMEMBER KNOBLOCK, SECOND BY MAYOR PRO TEM ANDERSON, CARRIED 3-2 (COUNCILMEMBER DONCHAK AND EGGLESTON VOTING NOE), to:

1. Adopt Resolution No. 07-31 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT FOR THE PACIFIC GOLF COURSE RESIDENTIAL DEVELOPMENT AS ADEQUATE AND COMPLETE, APPROVING CERTAIN FINDINGS AND A STATEMENT OF OVERRIDING CONSIDERATIONS, AND ADOPTING A MITIGATION MONITORING AND REPORTING PROGRAM, with the inclusion of the revisions to the Findings of Fact and Statement of Overriding Considerations for the Pacific Golf and Residential project as contained in a memorandum from The Planning Center, dated June 5, 2007.

Action continued on next page

2. Adopt Resolution No. 07-32 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, APPROVING GENERAL PLAN AMENDMENT (GPA) 05-018 AND SPECIFIC PLAN AMENDMENT (SPA) 05-126, PACIFIC GOLF CLUB RESIDENTIAL DEVELOPMENT, as modified to include 189 single-family units and 35 senior villas (for a total of 224 units).
3. Adopt Resolution No. 07-33 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, APPROVING SITE PLAN PERMIT (SPP) 05-127/ARCHITECTURAL PERMIT (AP) 05-240/CONDITIONAL USE PERMIT (CUP) 05-128/TENTATIVE TRACT MAP (TTM) 16910, PACIFIC GOLF CLUB RESIDENTIAL DEVELOPMENT, as modified to include 189 single-family units and 35 senior villas (for a total of 224 units).
4. Introduce Ordinance No. 1336 entitled AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, APPROVING THE DEVELOPMENT AGREEMENT FOR THE PACIFIC GOLF CLUB RESIDENTIAL DEVELOPMENT, as modified to include 189 single-family units and 35 senior villas (for a total of 224 units).

B. **Tentative Tract Map 16691, Plaza Estrella Del Mar Condominium Subdivision (109 Avenida De La Estrella)**

Public Hearing to consider a request for a one lot subdivision, for condominium purposes, for a previously approved mixed-use project with four commercial spaces and four residential units. The project is within the Mixed-Use zoning district with an Architectural Overlay (MU3-A) and located at 109 Avenida De La Estrella, the legal description being Lots 8, 9, and 10 of Block 5 of Tract 779.

City Planner Buell reviewed the contents of the Administrative Report.

Mayor Dahl opened and closed the Public Hearing, there being no one desiring to speak to this issue.

MOTION BY COUNCILMEMBER DONCHAK, SECOND BY COUNCILMEMBER KNOBLOCK, CARRIED 5-0, to adopt Resolution No. 07-34 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, APPROVING TENTATIVE TRACT MAP 16619, PLAZA ESTRELLA DEL MAR CONDOMINIUMS, A REQUEST FOR A ONE LOT SUBDIVISION FOR CONDOMINIUM PURPOSES FOR A PREVIOUSLY APPROVED MIXED-USE PROJECT WITH FOUR COMMERCIAL SPACES AND FOUR RESIDENTIAL UNITS LOCATED AT 109 AVENIDA DE LA ESTRELLA.

C. **CEQA Documentation - City of San Clemente Recycled Water Treatment and Distribution Expansion**

Public Hearing to consider CEQA documentation for the City of San Clemente Recycled Water Treatment and Distribution Expansion (Project No. 36405).

MOTION BY COUNCILMEMBER KNOBLOCK, SECOND BY MAYOR PRO TEM ANDERSON, CARRIED 5-0, to continue the Public Hearing to the Council meeting of July 24, 2007.

D. **San Juan Subdivision (404 East Avenida San Juan) - Tentative Parcel Map 2005-229, General Plan Amendment 06-428, Zoning Amendment 06-429, Site Plan Permit 06-430, Conditional Use Permit 06-431, and Variance 07-045**

Continued Public Hearing to consider a request for a General Plan Amendment, Zone Change, Site Plan Permit, Conditional Use Permit, and a Tentative Parcel Map for the subdivision of a single lot currently zoned Residential Very Low Density (RVL) into four (4) lots zoned Residential Low Density (RL) located at 404 East Avenida San Juan.

In response to Council concern, Staff indicated that it will not recommend any further continuance of the subject Public Hearing.

MOTION BY COUNCILMEMBER DONCHAK, SECOND BY COUNCILMEMBER KNOBLOCK, CARRIED 5-0, to continue the Public Hearing to the Council meeting of July 24, 2007.

7. **UNFINISHED BUSINESS**

None.

8. **NEW BUSINESS**

A. **Reassessment Proceedings for Reassessment District No. 98-1 and Authorization of Public Financing Authority to Sell Bonds for the Purpose of Purchasing Reassessment District No. 98-1 Limited Obligation Improvement Bonds**

Report from the Assistant City Manager/City Treasurer concerning reassessment proceedings for Reassessment District No. 98-1 and authorizing the Public Financing Authority to sell bonds for the purpose of purchasing Reassessment District No. 98-1 Limited Obligation Improvement Bonds.

MOTION BY MAYOR/PFA DIRECTOR DAHL, SECOND BY COUNCILMEMBER/PFA DIRECTOR EGGLESTON, CARRIED 5-0, to convene the Public Financing Authority at 12:05 a.m.

Assistant City Manager Gudgeirsson reviewed the contents of the Administrative Report and, together with Larry Rolapp, of Fieldman, Rolapp & Associates, responded to Council/PFA inquiries.

MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER KNOBLOCK, CARRIED 5-0, to:

1. Adopt Resolution No. 07-35 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE DECLARING ITS INTENTION TO LEVY REASSESSMENTS AND TO ISSUE REFUNDING BONDS UPON THE SECURITY THEREOF IN REASSESSMENT DISTRICT NO. 98-1.

Action continued on next page

2. Adopt Resolution No. 07-36 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE ADOPTING THE REASSESSMENT REPORT FOR REASSESSMENT DISTRICT NO. 98-1, CONFIRMING AND ORDERING THE REASSESSMENT PURSUANT TO SUMMARY PROCEEDINGS THEREFOR AND DIRECTING ACTIONS WITH RESPECT THERETO.

3. Adopt Resolution No. 07-37 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$14,235,000 AGGREGATE PRINCIPAL AMOUNT OF CITY OF SAN CLEMENTE LIMITED OBLIGATION IMPROVEMENT BONDS, REASSESSMENT DISTRICT NO. 98-1, APPROVING THE EXECUTION AND DELIVERY OF A FISCAL AGENT AGREEMENT, AN ESCROW AGREEMENT, A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT AND THE PREPARATION OF AN OFFICIAL STATEMENT AND OTHER MATTERS RELATED THERETO.

MOTION BY PFA CHAIR ANDERSON, SECOND BY PFA VICE CHAIR KNOBLOCK, CARRIED 5-0, to adopt Resolution No. PFA 2007-02 entitled A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY OF SAN CLEMENTE PUBLIC FINANCING AUTHORITY, APPROVING INDENTURE OF TRUST, PRELIMINARY AND FINAL OFFICIAL STATEMENTS AND BOND PURCHASE AGREEMENT AND AUTHORIZING EXECUTION THEREOF (REASSESSMENT REFUNDING BONDS).

MOTION BY PFA DIRECTOR DONCHAK, SECOND BY PFA VICE CHAIR KNOBLOCK, CARRIED 5-0, to recess the Public Financing Authority at 12:15 a.m.

B. **Refunding of Outstanding Community Facilities District No. 99-1 of the City of San Clemente 1999 Special Tax Bonds**

Report from the Assistant City Manager/City Treasurer concerning refunding of outstanding Community Facilities District No. 99-1 of the City of San Clemente 1999 special tax bonds.

Assistant City Manager Gudgeirsson reviewed the contents of the Administrative Report and responded to Council inquiries.

MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER DONCHAK, CARRIED 5-0, to adopt Resolution No. 07-38 entitled A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 99-1 OF THE CITY OF SAN CLEMENTE AUTHORIZING THE ISSUANCE OF ITS 2007 SPECIAL TAX REFUNDING BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED SIX MILLION EIGHT HUNDRED THOUSAND DOLLARS (\$6,800,000) AND APPROVING CERTAIN DOCUMENTS AND TAKING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH.

C. **Code Amendment - Smoking Prohibition Within Coastal Canyons**

Report from the Beaches, Parks and Recreation Director concerning the possibility of enacting an Urgency Ordinance to prohibit smoking within coastal canyons.

Mayor Dahl abstained from deliberations on this item, and left the meeting room at 12:20 a.m., because of a conflict of interest caused by a family trust involving property on Montalvo Canyon.

Director of Beaches, Parks and Recreation King reviewed the contents of the Administrative Report and responded to Council inquiries.

In response to Council inquiry, City Attorney Oderman noted that it is proper to prohibit smoking on private property, but added that, as a practical matter, it could be difficult to enforce.

Council requested that the Orange County Fire Authority 1) assess the fire potential of Verde Canyon, Salvador Canyon and the expansive Rancho San Clemente open space (located behind San Clemente High School and the Albertson's at the corner of Avenida Pico and Avenida Presidio); and 2) determine the potential impact on fire insurance rates for surrounding homes if the subject canyons are deemed as high fire risk areas. The OCFA is to report back to Council with a recommendation as to whether further action should be taken with regard to these areas.

MOTION BY COUNCILMEMBER EGGLESTON, SECOND BY COUNCILMEMBER DONCHAK, CARRIED 4-0-1 (MAYOR DAHL ABSTAINING) to adopt Urgency Ordinance No. 1337 entitled AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, AMENDING CHAPTER 8.64 OF THE SAN CLEMENTE MUNICIPAL CODE TO ADD A NEW SECTION 8.64.150 TITLED: DESIGNATED COASTAL CANYONS – SMOKING PROHIBITED.

Mayor Dahl returned to the dais at 12:35 a.m.

9. **ORAL COMMUNICATIONS (PART TWO)**

None.

10. **REPORTS**

A. **Commissions and Committees**

MOTION BY COUNCILMEMBER DONCHAK, SECOND BY COUNCILMEMBER KNOBLOCK, CARRIED 5-0, to schedule the second Commission/Committee interview session on July 9, 2007. (The first Commission/Committee interview session will take place on June 25, 2007.)

B. **City Manager**

None.

C. **City Attorney**

None.

D. **Council Members**

(1) **Council Position on Orange County Division, California League of Cities Issues.**

None.

(2) **Council Position on Legislative Issues.**

None.

(3) **Orange County Fire Authority Status Update.**

Councilmember Knoblock commended the OCFA for its outstanding response to a mountain bike injury that occurred on June 1, 2007.

(4) **San Clemente-Dana Point Animal Services Authority.**

Mayor Dahl reported on animals available for adoption at the San Clemente-Dana Point Animal Shelter and expressed gratitude to the Shelter's veterinarians, staff and volunteers.

(5) **Transportation Corridor Agencies Status Report.**

In response to Council inquiry, Mayor Dahl advised that the resource agencies selected the corridor alignment through the Donna O'Neil Land Conservancy because they found that the biological value of that alignment was less significant than the biological considerations of the CP route that would traverse wetlands.

(6) **Councilmember Items.**

AB 939 (Waste Diversion) - Response to Orange County Grand Jury

In response to Council inquiry, City Manager Scarborough stated that Staff will prepare a response to the Orange County Grand Jury summary report of May 25, 2007; confirmed that the City is in compliance with AB 939 relating to waste diversion.

Watershed Task Force Canyon Clean-Up - Recognition of San Clemente High School Students Who Participated

Councilmember Donchak noted that the Watershed Task Force organized a clean-up of the canyon area behind Albertson's (at Pico/Presidio) on June 2, 2007 and commended six students from San Clemente High School that provided exceptional assistance; noted that letters of appreciation are being prepared for the Mayor's signature.

Vital Few Priorities

MOTION BY COUNCILMEMBER KNOBLOCK, SECOND BY COUNCILMEMBER EGGLESTON, CARRIED 5-0, to agendize the Vital Few Priorities process for the Council meeting of July 10, 2007 for refinement and decisions on how to proceed. Staff is to provide Council with copies of the audio recording from the prior Vital Few Priorities session.

Classic Car Show

Mayor Dahl noted that this year's Classic Car Show will take place on June 10, 2007.

11. **RESOLUTIONS/ORDINANCES**

A. **Ordinance No. 1333 (Second Reading) - Water Rates**

MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER EGGLESTON, CARRIED 4-1 (COUNCILMEMBER KNOBLOCK VOTING NOE), to adopt Ordinance No. 1333 entitled AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, AMENDING SECTION 13.04.220, SUBSECTIONS (A), (B), AND (C) OF THE SAN CLEMENTE MUNICIPAL CODE RELATING TO WATER RATES.

B. **Ordinance No. 1334 (Second Reading) - Sanitary Sewer Fixed Rates and Commodity Rates**

MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER EGGLESTON, CARRIED 4-1 (COUNCILMEMBER KNOBLOCK VOTING NOE), to adopt Ordinance No. 1334 entitled AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, AMENDING CHAPTER 13.24 OF THE SAN CLEMENTE MUNICIPAL CODE RELATING TO SANITARY SEWER FIXED RATES AND COMMODITY RATES.

C. **Ordinance No. 1335 (Second Reading) - Use of Municipal Parks and Trails**

MOTION BY MAYOR PRO TEM ANDERSON, SECOND BY COUNCILMEMBER KNOBLOCK, CARRIED 5-0, to adopt Ordinance No. 1335 entitled AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, AMENDING CHAPTER 9.12 OF THE SAN CLEMENTE MUNICIPAL CODE RELATING TO THE USE OF MUNICIPAL PARKS AND TRAILS.

12. **ADJOURNMENT**

MOTION BY COUNCILMEMBER DONCHAK, SECOND BY COUNCILMEMBER KNOBLOCK, CARRIED 5-0, to adjourn at 12:55 a.m. to an Adjourned Regular Meeting to be held on Monday, June 18, 2007 at 6:30 p.m. in the Council Chambers, located at 100 Avenida Presidio, San Clemente, California, regarding Shorecliffs.

The next Regular Meeting will be held on June 19, 2007 in the Council Chambers, located at 100 Avenida Presidio, San Clemente, California. Closed Session items will be discussed at 6:00 p.m. The General Session will begin at 7:00 p.m.

CITY CLERK of the City of
San Clemente, California

MAYOR of the City of
San Clemente, California